

William E. Colby

STAT

April 27, 1983

The Honorable Edward P. Boland  
Chairman  
Permanent Select Committee on Intelligence  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Boland:

Last year, with the sponsorship of your Committee, The Central Intelligence Agency Spouses Retirement Equity Act of 1982 (P.L. 97-269) was passed by the Congress, providing retirement and survivor annuities for divorced spouses of Central Intelligence Agency Retirement and Disability System (CIARDS) participants. That Act corrected a long-standing inequity in pre-existing law which ignored the contribution of those spouses to the Agency's mission and left them without a claim for an appropriate portion of their sponsor's retirement benefits. The 1982 Act vested annuities in spouses divorced after November 15, 1982, provided the marriage had continued for at least 10 years of Agency service and involved at least five years overseas service.

The November 15, 1982 date was set to avoid retroactive interference with existing retirement and survivor payments and to avoid conflict with existing divorce decrees and property settlements. However, unfortunately, the Act provided no relief for spouses divorced on November 14, 1982 and earlier, nor for divorced spouses of CIARDS participants who retired before the effective date of the Act. When he introduced the CIA Spouses Retirement Equity Act in the Senate, Senator Daniel Inouye said, "I feel that at some future date we should consider providing additional benefits to this group (those excluded) in recognition of their important service."

The spouses not protected under the 1982 Act are a particularly deserving group. Contact has been maintained with a number of them in the Washington area and their situations indicate that they are both highly deserving and highly needy of

The Honorable Edward P. Boland

April 27, 1983

Page 2

this kind of protection. Most are older women who had long term marriages (20-30 years and more), served abroad for 12-15 years and more, and many were overseas prior to 1972 when their performance was required and graded by their sponsor's official superiors. Many of these spouses were divorced at an age which made it practically impossible for them to secure anything beyond entry level employment and, of course, not build up individual retirement rights under Social Security. Many of these do not receive alimony, which in any case ceases with the sponsor's death. As a result, a number are presently dependent on welfare or the charity of their families, churches or friends.

In a study conducted by the Association of American Foreign Service Women of a comparable group of former Foreign Service wives, the estimate has been developed that there are approximately 100 known cases and up to another 100 potential cases in these categories. The CIA group would obviously be considerably smaller than this; the known cases in the Washington area number about 34. It is estimated that the total number would not be much more than double this.

In this situation, I have been authorized by several of these affected spouses to recommend to your Committee that it consider the possibility of adding to the current appropriations bill sufficient funds for the Agency to correct this inequity between the two classes of former spouses. Similar supplemented benefits are provided to former spouses covered under normal Social Security rules, i.e. the payment to a former spouse is not deducted from the payments to a current spouse. This process also seems more appropriate than attempting to utilize the CIARDS retirement fund itself and certainly would be more effective than attempting to reopen the divorce decrees, current payments received by participants in CIARDS, etc. An estimate of the funds which would be necessary for such a program can be made as follows: Of the 34 spouses, the average period of marriage was 25 years. The normal computation of the sum which would be received for retirement as survivor of a 25 year marriage under existing legislation would be approximately \$11,000. If there are in the neighborhood of about 70 such cases (double the 34 known), the resulting sum required would be \$770,000.

It would be recommended that the eligibility rules for this group follow precisely the eligibility rules of the spouses covered under present legislation. A number of variations could be proposed to this, but it is our belief that the

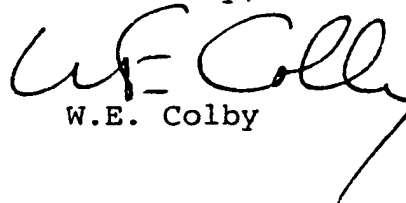
The Honorable Edward P. Boland  
April 27, 1983  
Page 3

equity of the situation, simplicity in administration, and the essentially small amounts required to benefit such a small group make this the best approach. In most cases divorce after a shorter marriage was followed by remarriage which terminates eligibility, and the sum which would be derived from a shorter marriage would be considerably less than the \$11,000 stated above.

We understand that the Agency's authorization bill is currently under consideration by your Committee. We would hope that these considerations might be included within the House appropriations bill and be the subject of conference with your Senate counterparts who apparently have already acted on their bill. This would enable the matter to be covered in this year's legislation. Obviously, follow-on appropriations would be necessary to continue this program in the years ahead. However, it is obvious that this is a diminishing class of recipients and that the sums involved should correspondingly decline. Obviously, it also will be necessary to gain some experience to determine how many spouses would actually be eligible, but our estimate of 70 maximum is probably quite generous.

May I again express the appreciation of the spouses of CIA personnel for the passage of the 1982 Act. We particularly appreciated the active role played by Congressman Romano L. Mazzoli, Chairman of the Subcommittee, and the ranking minority member, Congressman Robert McClory, plus the active support of Congressman G. William Whitehurst. We do hope that this final action in this field could be undertaken in order to relieve a real human problem and recognize the very substantial contribution that these spouses as well as those covered under the current Act have made to our intelligence service and to their country.

Sincerely,

  
W.E. Colby

WEC:pdk